

Message Text

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DRAFTED BY: OIM/MRD/216: HZASSENHAUS

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TAGS: BEXP, BFOL, UK

SUBJ: MARKET RESEARCH: GLOBAL MARKET SURVEY: METAL-
WORKING AND FINISHING EQUIPMENT(MFE)-UK

REF: STATE A-6738, 8/6/73

1. HAVE REVIEWED SUBJECT STUDY. INFORMATION MISSING
AND DISCUSSION REDUNDANT IN MAY PARTS. POST REQUESTED
TO RELAY FOLLOWING COMMENTS TO CONTRACTOR AND REQUEST
THAT SUPPLEMENTARY INFORMATION ON POINTS IN QUESTION BE
SUBMITTED POST FOR TRANSMITTAL COMMERCE BY JUNE 3.

2. RE TABLE 5B AND 6B - FIGURES INCORRECT. IN MOST
CASES SUBTOTALS NOT EQUAL TO SUMMATION OF THEIR RESPEC-
TIVE COMPONENTS. ADDITIONALLY, SUMMATION OF SUBTOTALS
NOT EQUAL TO GRAND TOTAL I. CONTRACTOR REQUESTED TO
RESOLVE DISCREPANCIES.

3. RE TABLE 7 - TOTAL CONSUMPTION FIGURES GIVEN TABLE
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7A AND 7B ALONG WITH CONSUMPTION FIGURES OF COMPONENTS

OF MFE DO NOT EQUAL SUMMATION OF PRODUCTION PLUS IMPORTS LESS EXPORTS AS STATED TABLES 4, 5 AND 6 RESPECTIVELY. RESOLVE DISCREPANCIES.

4. RE TABLE 8B - SUBTOTAL FIGURES INCORRECT IN MOST CASES. FIGURES GIVEN UNDER TOTAL IMPORTS SHOULD BE SAME AS THOSE SHOWN IN TABLE 5B UNDER YEAR 1972.

5. RE II.B.1. (DISCUSSION OF MARKET FOR METALWORKING EQUIPMENT)-DISCUSSION ON TRENDS OF PRODUCTION, IMPORTS, EXPORTS AND CONSUMPTION EXCELLENT. HOWEVER, DISCUSSION SIGNIFICANCE OF DATA STATED RATHER THIN. ONLY FACTOR MENTIONED IS RECESSION OF 1971/72. REQUEST CONTRACTOR LIST AND DISCUSS OTHER CAUSATIVE FACTORS UNDERLYING TRENDS MENTIONED. CONTRACTOR SHOULD CONCENTRATE DISCUSSION ON FACTORS CAUSING DECREASES AND INCREASES PRODUCTION, IMPORTS AND EXPORTS MFE FOR PERIODS 1968/72, 1972/74, AND 1974/78 OR OTHER RELEVANT PERIODS. ADDITIONALLY, CONTRACTOR SHOULD, IN GENERAL TERMS, EXPLAIN INCREASES AND DECREASES OF PRODUCTION, IMPORTS AND EXPORTS OF MAJOR CATEGORIES OF MFE(ESPECIALLY METALCUTTING, METALFORMING MACHINE TOOLS) DURING SAME PERIODS.

6. RE II.C.1. (LISTING OF THE FIFTEEN CATEGORIES JUDGED TO HAVE BEST SALES POTENTIAL FOR U.S. SUPPLIERS)-CONTRACTOR IN MOST CASES HAS LISTED SUBCATEGORIES OF EQUIPMENT EXPECTED TO SELL WELL RATHER THAN CATEGORIES OF SAME. FOR EXAMPLE, CONTRACTOR LISTED SUBCATEGORIES NC DRILLING MACHINES, NC MILLING MACHINES AND NC PROGRAM CONTROLLED LATHES AS FIRST, SECOND AND THIRD CATEGORIES WITH SALES POTENTIAL RESPECTIVELY RATHER THAN LISTING ALL SUBCATEGORIES UNDER CATEGORY NUMERICALLY CONTROLLED MCHINES (DROM CHECKLIST) AND LABELING SAME AS CATEGORY WITH GREATEST SALES POTENTIAL. AS A RESULT OF MISINTERPRETATION OF SPECIFICATIONS CONTRACTOR, UNDER II.C.2.,3. AND 4., HAS DISCUSSED MARKET OF THREE SUBCATEGORIES MFE FOR WHICH 1972 IMPORTS FROM U.S. EACH TOTALLED LESS THAN \$.5 MILLION, YET TOTAL COMBINED IMPORTS OF THESE CATEGORIES FOR 1978 PROJEKRED TO APPROXIMATE \$8 MILLION. THEREFORE, REQUEST CONTRACTOR GROUP THREE SUBCATEGORIES UNDER ONE HEADING(NC MACHINE TOOLS) AND IDENTIFY SAME AS CATEGORY WITH BEST SALES POTENTIAL. USING SIMILAR RATIONALE, CONTRACTOR SHOULD UNCLASSIFIED

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RECLASSIFY FIFTH BEST CATEGORY WITH SALES POTENTIAL AS THIRD LARGEST AND DISCUSS MARKET FOR ALL HYDRAULIC PRESSES AS PER SPECIFICATIONS, LISTING EXTRUSION PRESSES AS ONE OF TYPES OF EQUIPMENT WITHIN CATEGORY OFFERING EXVEPTIONAL SALES POSSIBILITIES. ALSO, CONTRACTOR SHOULD SELECT TWO ADDITONAL CATEGORIES (PERHAPS GEAR CUTTING MACHINES AND MECHANICAL PRESSES), LABEL THEM RESPECTIVELY AS FOURTH AND FIFTH BEST CATEGORIES WITH SALES POTENTIAL AND DISCUSS

EACH AS PER SPECIFICATIONS.

7. RE DISCUSSION OF WHY U.S. MANUFACTURERS OF EACH OF FIVE BEST CATEGORIES MFE EXPECTED TO WITNESS INCREASED SALES IN UK, CONTRACTOR REPETITIVE AND VAGUE. SAME FACTORS FOUND UNDER EACH CATEGORY LISTING. ADDITIONALLY, WHAT REASONS GIVEN APPLY TO ALL IMPORTS NOT ONLY THOSE FROM U.S. IN MOST CASES FACTOR NOT PRESENTED WHY U.S. MANUFACTURERS IN PARTICULAR SHOULD EXPECT INCREASED SALES IN EACH CATEGORY LISTED.

8. RE TABLES 11 AND 14 - INFORMATION CONTAINED IN EACH SEEMINGLY INCOMPLETE. SOME SECTOR INFORMATION CONTAINED TABLE 14B NOT FOUND IN TABLE 11B. FOR EXAMPLE, TABLE 14B INDICATES "SALES AND WORK DONE" IN CONSTRUCTION SECTOR (UK SIC 500) EQUALLED \$14.1 BILLION IN 1968. SAME SECTOR NOT FOUND TABLE 11B. OTHER OMISSIONS ALSO FOUND. ADDITIONALLY, INFORMATION FOUND TABLE 11B NOT EQUAL TO INFORMATION FOUND TABLE 14B. FOR EXAMPLE, TABLE 11B SHOWS "SALES AND WORK DONE" IRON AND STEEL PRODUCTS SECTOR (UK SIC 311, 312, 313) TOTALLED \$5.3 BILLION WHILE INFORMATION FOUND TABLE 14B ON IDENTICAL SECTOR ONLY TOTALLED \$4.7 BILLION. MANY OTHER DISCREPANCIES AND ERRORS IN ADDITION ALSO FOUND. FINALLY, TOTALS FOR TABLE 14B AND TABLE 11B NOT EQUAL. FOR EXAMPLE, GRAND TOTAL OF "SALES AND WORK DONE" TABLE 11B SHOWN AS \$24.9 BILLION EQUALLED APPROX. \$55.3 BILLION. AS SOURCE OF INFORMATION SAME FOR EACH TABLE, NO APPARENT REASON EXISTS FOR DISCREPANCIES. REQUEST CONTRACTOR RESOLVE ALL DISCREPANCIES, ERRORS IN ADDITION, ETC. SUGGEST INFORMATION TABLE 14B BE BETTER ORGANIZED SO INFORMATION ON SAME INDUSTRIES CAN BE FOUND ON SAME PAGE.

9. RE FIRST APPENDIX TABLE 14 - INFORMATION CONTAINED THEREIN SHOULD HAVE BEEN EXTRACTED FROM TABLE 14. HOWEVER, THROUGH UNCLASSIFIED

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EXAMINATION OF APPENDIX, WAS UNABLE TO ASCERTAIN WHICH SOURCE AND WHAT UK SIC SECTOR NUMBERS USED IN ORDER TO COMPILE INFORMATION. ADDITIONALLY, AS NOTED PARA 8 APPROX. TOTAL OF "SALES AND WORK DONE" FOR ALL SECTORS IS \$55.3 BILLION YET, APPENDIX INDICATES TOTAL ALL SECTORS EQUALLED \$54.8 BILLION. REQUEST
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